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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	92047433
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

GADO S.R.L

Petitioner,

v.

JAY-Y ENTERPRISES CO., INC.

Respondent.

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Cancellation No. 92047433

**GADO S.R.L'S MEMORANDUM OF LAW
IN OPPOSITION TO MOTION FOR RECONSIDERATION**

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Petitioner Gado S.R.L. (“Gado”), by and through undersigned counsel Satterlee Stephens Burke & Burke LLP, submits the following memorandum of law in response to the Motion for Reconsideration filed by Jay-Y Enterprises Co., Inc. (“Jay-Y”).

INTRODUCTION

The Board properly applied well-settled law to the evidence of record in reaching its final decision to cancel Jay-Y’s Registration Nos. 2582314 and 2663337 (the “DG marks”) and to deny cancellation of Gado’s Registration No. 3108433. Jay-Y’s motion for reconsideration should therefore be denied.

Specifically, the Board correctly concluded that December 1, 1999 is the priority date for Jay-Y’s DG marks because Jay-Y’s evidence of an earlier use date did not satisfy the applicable clear and convincing evidentiary standard. The Board reasonably found that the testimony of Jay-Y’s lone witnesses on priority unreliable given its own defects, inconsistencies in the record as a whole, and the absence of any corroborative evidence.

Additionally, the Board properly analyzed the totality of Gado’s evidence demonstrating the fame of the DOLCE & GABBANA, D&G DOLCE & GABBANA, and D&G marks. Correctly applying the Bose standards, the Board determined that Gado’s marks were famous prior to Jay-Y’s first use of the contested DG marks in 1999. Finally, the DuPont factors support the Board’s finding that there was a likelihood of confusion as between the DG marks and DOLCE & GABBANA, D&G DOLCE & GABBANA, and D&G.

ARGUMENT

To succeed on its motion, Jay-Y must prove that based on the evidence of record and applicable law that the Board erred in reaching its final decision. TBMP § 543. It may not

reargue the points made in its brief on the case.¹ As shown below in greater detail, Jay-Y's motion is based on flimsy logic, rather than evidence in the record, and on a misreading of settled law and should therefore be denied.

I. THE BOARD PROPERLY HELD THAT JAY-Y DID NOT ESTABLISH PRIORITY BY CLEAR AND CONVINCING EVIDENCE

As noted by the Board, and acknowledged by Jay-Y, the proponent of a claimed date of first use is under a heavy burden to prove a date earlier than the date alleged in its application by evidence that is clear and convincing. Hydro-Dynamics Inc. v. George Putnam Co. Inc., 811 F.2d 1470, 1 USPQ2d 1772, 1773 (Fed Cir. 1987); Jay-Y Brief, p. 6. As the Board recognized, clear and convincing “proof must not be characterized by contradiction, inconsistencies or indefiniteness” and should carry with it conviction of its accuracy and applicability. Threshold.TV Inc. v. Metronome Enters. Inc., 96 USPQ2d 1031, 1036 (TTAB 2010); see also Productos Lacteos Tocumbo S.A. de C.V. v. Paeteria La Michoacana Inc., 98 USPQ2d 1921, 1931 (TTAB 2011); B.R. Baker Co. v. Lebow Bros., 150 F.2d 580, 66 USPQ 232 (CCPA 1945). An increased evidentiary burden requiring enhanced substantiation is supported by common sense, because the proponent is seeking to change its position from one “considered to have been made against interest at the time of filing the application.” Hydro-Dynamics Inc., 1 USPQ2d at 1773-74 (internal quotations and citation omitted).

The Board plainly recognized that the testimony of a single witness could suffice “*if sufficiently probative.*” Opinion, p. 11 (emphasis added); see also Powermatics, Inc. v. Globe Roofing Prods. Co., 341 F.2d 127, 144 USPQ 430, 432 (CCPA 1965). It also properly recognized that “when considering evidence of first use, we must ‘look at the evidence as a

¹ In fact, Jay-Y's entire motion is focused on rearguing points regarding priority, fame and the similarity of the marks, all of which were addressed at trial and in its brief on the merits, filed Oct. 31, 2011.

whole, as if each piece of evidence were part of a puzzle which, when fitted together, establishes prior use.’ *West Florida Seafood Inc. v. Jet Restaurants Inc.*, 31 F.3d 1122, 31 USPQ2d 1660, 1663 (Fed. Cir. 1994).” Opinion, p. 11; see also Weatherford/Lamb, Inc. v. C&J Energy Servs., Inc., 96 USPQ2d 1834, 1838 (TTAB 2010) (“When we are considering evidence of a party’s alleged prior use in commerce, we must not look at only the individual pieces of evidence. Instead, we must look at the total picture that the evidence presents.”).

While corroboration is not required to establish a date of first use prior to the date claimed in a registration, testimony is certainly strengthened by corroborative documentary evidence, B.R. Baker Co., 66 USPQ 232, and the Board can reasonably find that testimonial evidence is not clear and convincing absent corroborating documents. Am. Hygienic Labs. Inc. v. Tiffany & Co., 12 USPQ2d 1979, 1984 (TTAB 1989) (holding testimony of manager regarding use of TIFFANY on compacts nine years earlier was not clear and convincing absent corroborating documents showing use of the mark); see also H.D. Lee Co. v. Maidenform, Inc., 87 USPQ2d 1715, 1722-23 (TTAB 2008) (oral testimony not sufficiently probative and not supported by corroborating evidence did not establish use of mark in connection with certain goods prior to the application filing date).

A. The Board Correctly Found Teresa Chen’s Oral Testimony Indefinite and Unconvincing

Here, as in B.R. Baker Co., the single witness, Teresa Chen, upon whom Jay-Y asked the Board to rely was testifying long after the events happened, and Ms. Chen’s testimony was thus appropriately “carefully scrutinized” by the Board. See B.R. Baker Co., 66 USPQ 232. This is particularly true where, as here, the application was filed substantially contemporaneously with the date of first use alleged therein, and an attempt is made many years later to establish an earlier date. See Elder Mfg. Co. v. Int’l Shoe Co., 194 F.2d 114, 92 USPQ 330, 333 (CCPA

1952). While sufficiently probative testimony may alone prove an earlier priority date, Jay-Y has cited no case in which a single witness's testimony unsupported by corroborating evidence was found by the Board to be clear and convincing that first use of a mark was earlier than the date identified in the application at issue.²

The Board properly considered and scrutinized the probative value not only of Ms. Chen's testimony but the documentary evidence submitted in support thereof as well as Jay-Y's evidence as a whole and found it lacking under the applicable exacting evidentiary standard. The Board did not, as Jay-Y suggests, reject Ms. Chen's oral testimony solely because it was uncorroborated. Rather, it specifically noted:

the probative value of the evidence is significantly reduced by a variety of factors, *inter alia*: critical factual omissions; testimony contradicted or unsupported by other testimony or by what documentary evidence is available; a lack of contemporary documentation or advertising showing any use of DG prior to the filing of the applications; and the imperfect or selective memories of some of respondent's principal employees regarding adoption of the DG marks and the filing of the trademark applications.

Opinion, p. 13. Jay-Y's claims to the contrary notwithstanding, the Board placed the proper burden on Jay-Y to produce evidence of use to corroborate Ms. Chen's testimony. The Board found her testimony indefinite as to the earlier priority date, not credible as to why Jay-Y did not claim use earlier than 1999 in its applications, and unconvincing as to why no there was no contemporary evidence documenting use of the DG marks years prior to the use date Jay-Y had claimed in its applications. See Opinion, pp. 17 and 20.

In testimony wrought with inconsistencies, Ms. Chen – who purported to have decided in 1993 to sell sunglasses with a DG logo, since she allegedly thought having a logo would allow

² In National Blank Book, relied upon by Jay-Y, the court actually discounted the testimony of a single witness since it was not clear and convincing. Nat'l Blank Book Co. v. Leather Crafted Prods., Inc., 218 USPQ 826, 828 (TTAB 1983).

the company to better compete in the sunglasses market, T. Chen Dep. 23, 25-26³ – indicated when filing applications to register and protect those very same marks in September 2000, that December 1999 was the date of first use. T. Chen Dep. 38-39.⁴

Ms. Chen’s testimony regarding the lack of any presence of the DG marks in the catalogs is likewise inconsistent and not credible. Ms. Chen claimed that the style of the sunglasses was more important than the logo. Id. 249:4-9. Though she acknowledged that it was possible for the catalogs to show the style and the logo in a three-quarter view, and Jay-Y in fact did show some sunglasses in three-quarter view, Respondent’s Exhibits 174-177, she did not credibly explain why sunglasses purportedly with a DG mark were not displayed so as to show that logo, id. 249:10-250:23, particularly in light of her other testimony that the presence of the logo had to be disclosed to purchasers to avoid returns. Id. 132:11-135:9.⁵

Without the support of documentary evidence, Ms. Chen’s testimony alone was insufficient to prove a date of first use earlier than the date Jay-Y claimed in its applications. Indeed, the Board makes clear that the lack of evidence demonstrating any use of the DG marks prior to 1999 – in advertising, in catalogs, or in sales records or invoices – served to weaken the credibility of Ms. Chen’s testimony. See Opinion, pp. 17-18, 20-21.

Moreover, Jay-Y’s evidence as a whole, including the testimony of Ward Chen and Jay-Y’s responses to interrogatories, calls Ms. Chen’s testimony into question. The Board thus

³ Abbreviated formats for citations to the record used in Gado’s briefs in this case are incorporated herein.

⁴ Jay-Y attempts to explain away the discrepancy between the date claimed in the applications and Ms. Chen’s testimony by suggesting that in preparing the applications, Ms. Chen relied on “vague” advice from her attorney as to the appropriate date. Jay-Y Brief, pp. 16-17. In fact, Ms. Chen said no such thing in testimony. Rather, her testimony suggests that she chose a date she knew was supported, T. Chen Dep. 38, though she claims to have had knowledge – even at that time – of a much earlier date of first sales. The Board was within its right not to credit her explanation of the discrepancy.

⁵ Ms. Chen could not remember a single return because of an unwanted logo, T. Chen Dep. 135:3-136:2, evidence of which from 1993 could have helped to substantiate Jay-Y’s priority claim.

properly considered issues raised by other witnesses. See West Florida Seafood Inc., 31 USPQ2d at 1663.

The initial interrogatory responses reportedly prepared in 2007 by *both* Ward Chen and Teresa Chen stated that 1999 was the date of first use of the mark. Petitioner's Notice of Reliance, Exh. 77, Response Nos. 16, p. 11, 22, p. 14. Jay-Y's own assertions, made during these proceedings in 2007, therefore contradict Ms. Chen's testimony.

The testimony of Ward Chen, Ms. Chen's son, also casts doubt on the reliability of Ms. Chen's claims. In 2007, when the petition in this action was first filed, Mr. Chen, who worked in the warehouse of the company and at trade shows in 1997 and thereafter, 3/23/11 Ward Chen Dep. 5:18-25 – a time when the DG-branded glasses were allegedly already being sold – had no recollection of the sale of such sunglasses prior to 1998 or 1999. Id. 9:14-18. Though Ms. Chen had reportedly assisted with the responses to interrogatories in 2007, it was only after this case did not settle that Mr. Chen enlisted further input from his mother as to the date of first use and the alleged use of the mark dating to 1993 purportedly surfaced. Id. 8:11-9:1. Mr. Chen's recollection in 2007 of a date of first use consistent with the date claimed in the application but inconsistent with Ms. Chen's testimony was properly considered by the Board in assessing the probative value and weight to be given to Ms. Chen's testimony.

It is in this context – deficiencies in Ms. Chen's testimony, lack of corroborative documentary evidence, and contradictory testimony by other witnesses – that the Board determined that Ms. Chen's testimony, in particular, and Jay-Y's evidence as a whole was not clear and convincing as to an earlier priority date.

B. The Board Properly Found Jay-Y's Documentary Evidence Insufficient to Prove an Earlier Priority Date

In its motion, Jay-Y goes to great lengths to convince the Board that its purchase and sales documents corroborate the oral testimony of Ms. Chen, but Jay-Y's documentary evidence is circumstantial at best and does not satisfy its burden of proving an earlier date by clear and convincing evidence.

Jay-Y incorrectly asserts that a certain four sunglasses models were "undisputed[ly]" sold only on dates prior to 1999. Jay-Y Brief, pp. 13-14. However, there is no clear chain of custody for the sunglasses models to demonstrate that these models were indeed extant before 1999. The evidence of record shows that Jay-Y allegedly obtained samples of sunglasses with these model numbers from its own showroom or warehouse or from the overseas factories from which Jay-Y had once purchased those model numbers. 3/23/11 W. Chen Dep. 13:3-6; T. Chen Dep. 53:20-54:18, 150:21-151:16. However, of the samples located, Jay-Y could not say with certainty which glasses came from which location. Id. Ms. Chen also acknowledged that if factories still had a mold they could run off sunglasses without having to create a new mold, T. Chen Dep. 253:17-22, and she did not know whether the models Jay-Y purchased were exclusively sold to it, or sold to others after Jay-Y stopped buying them. Id. 252:22-253:11.

In addition to these defects, there is also no evidence that the four models purportedly sold *only* between 1993 and 1997 were indeed only sold during that time. Rather, no sales records after 2007 were provided for any sunglasses, and the SBT system on which Jay-Y relied for its data was retired in 2007, Ou Dep. 11:6-12:2, so only records prior to that date were checked, id. 63:10-18, and it was only in about 2009 that Ms. Chen identified the purported sales of these models from 1993 to 1997. T. Chen. Dep. 78:4-16. Even as to metal frames into which the DG logo is imprinted, there is no evidence in the record that the molds were not changed for

those model numbers, as the Board recognized, just that it was expensive to do so. Indeed, the testimony regarding how glasses were selected and the marks affixed specifically contradicts Jay-Y's arguments that the marks were integral to the molds. As Jay-Y itself summarized, "both Teresa Chen (originally) and Ward Chen (more recently) would travel to the factories in China that produce sunglasses, would be shown designs that the factories wanted to sell, would ask the factories to *use the DG Marks on those designs*, and then would order them." Jay-Y Brief, p. 11. (emphasis added.)

Thus, as the Board rightly noted, there is no evidence that the models always featured the DG marks. The Board reasonably found that

[w]ithout knowing whether the model numbers changed when the DG marks were applied to a manufacturer's existing sunglass styles, we cannot tell, simply by looking at the model numbers listed on the invoices, whether a particular model of sunglasses sold in a given year by respondent did or did not bear the DG marks.

Opinion, p. 17. Further, "the evidence only proves which styles or models were sold in a given year, not whether those particular models carried the DG marks." Id., p. 17.

Jay-Y argues that model numbers were unique, were tied to attributes of a given pair of sunglasses, and that it would be illogical for a model number to change since consistency was needed for ordering. However, the attributes related to the model number have nothing to do with the presence or absence of a logo. Ms. Chen testified that particular letters in the model numbers identified a plastic or metal frame or the type of lens. T. Chen Dep. 4:15-25. Nothing in the model numbers Jay-Y used at the time, however, indicates anything about branding. Whereas, as noted by the Board, DG now appears as part of the model numbers on sunglasses that feature the DG marks, W. Chen Dep. 21-27, there is no explanation for why such codes did not appear when these purportedly DG-branded models were allegedly being sold in the 1990s. Opinion, p. 20 n.36.

Jay-Y further claims that the model numbers used in connection with sunglasses had to remain consistent and its customers had to have confidence that the particular model being ordered did, or did not have a DG on them, but does not cite to evidence in the record to support this proposition. Despite the alleged customer interest in whether there was a DG mark on a particular sunglasses model or not, Jay-Y never showed such logos on the glasses in its catalogs between 1995 and 1998. Respondent's Exhs. 174-177.

Jay-Y now purports to explain the lack of any logos in the catalogs as stemming from the fact that the sunglasses were mainly ordered from catalogs by repeat customers re-ordering stock. But, there is no evidence that Jay-Y only provided catalogs to existing customers. Moreover, Jay-Y's own arguments regarding how the sunglasses were ordered and why model numbers needed to remain consistent are contradictory. On the one hand it argues that the sunglasses were marketed through in-person contact and that most of the orders were taken verbally. Jay-Y Brief, p. 7. Yet, Jay-Y also argues that "many of Jay-Y's purchases and sales are not done in person but rather through phone and facsimile." Id., p. 10. Jay-Y further claimed that it advised customers of the presence of DG marks on certain sunglasses. Id., p. 7. It could certainly have done so where a logo was added to an existing, unbranded model that retained the same model number, since the style of the sunglasses would otherwise be unchanged.

In sum, the Board correctly found that the testimonial and documentary evidence of record fell far short of Jay-Y's burden of proof. The Board thus properly held that Jay-Y failed to establish priority by clear and convincing evidence of a date of first use earlier than the date claimed in its applications.

II. THE BOARD PROPERLY ASSESSED THE FAME OF GADO'S MARKS

The Board duly set forth and applied the settled standard for assessing a mark's fame for likelihood of confusion purposes, namely that "[f]ame may be measured indirectly by the volume

of sales and advertising expenditures of the goods and services identified by the marks at issue, ‘by the length of time those indicia of commercial awareness have been evident,’ by widespread critical assessments and notice by independent sources of the products identified by the marks, as well as the general reputation of the products and services.” Opinion, p. 27-28 (citing Bose Corp. v. QSC Audio Prods. Inc., 63 USPQ2d 1303, 1305-06, 1309 (Fed. Cir. 2002)). Evidence that places sales and advertising figures in context, such as proof of the goods’ reputation, may additionally “buttress” or “bolster” a claim of fame. Bose Corp., 63 USPQ2d at 1309. Jay-Y’s insistence that all evidence of strength must be in context of the industry at large misconstrues these settled standards.

Bose actually suggests that there are several different types of context with the potential to strengthen numerical evidence of sales and advertising. One such context is “advertising figures for comparable products.” Id. Contrary to Jay-Y’s assertions, Gado provided precisely that context for its advertising expenses by the testimony of Paolo Vannucchi and Gabriella Forte, Vannucchi Dep. 105; Forte Dep. 122-123, as the Board recognized when it stated that “[p]etitioner’s advertising expenses . . . are substantial by any measure and are comparable to advertising expenses of other well-known fashion brands such as Giorgio Armani and Prada.” Opinion, p. 29.

Gado also provided context with regards to “how the products are presented in the advertising and sales materials,” i.e., how clearly the mark in question is associated with the goods. See Bose Corp., 63 USPQ2d at 1309 (finding prominent use of mark in advertising independent from house mark provided context for sales and advertising numbers). Here, the advertisements for DOLCE & GABBANA prominently used the mark and make a strong impression. See e.g., Petitioners Notice of Reliance, Exhs. 26-29, 39-41, 44, 45.

The Board also considered yet another form of evidence suggested in Bose that can contextualize and bolster numerical evidence, namely that the marked goods have enjoyed “continuous and extensive critical consideration” and “that the consuming public has been exposed frequently and nationwide” to the marked goods.⁶ Bose Corp., 63 USPQ2d at 1309. In its opinion, the Board detailed the regular editorial and promotional features of and about Gado’s brands in major fashion magazines and the “powerful association” with celebrities and media coverage arising from Gado’s promotional dressing of musical performers, actresses, and Hollywood stars. Opinion, pp. 29-30. Indeed, Ms. Forte testified as to the impact of the celebrity association with the brand and the impact of celebrities being photographed wearing a bag with DG or another DOLCE & GABBANA mark, noting that “it’s aspirational” and that “it has an impact on the brand” and that the impact of a credit in a magazine is “the same.” Forte Dep. 164:7-12; 171:25-172:15. In other words, the Board considered Gado’s evidence that celebrity association grew the brands’ good will and the reputation and sales of the branded goods because customers seeing the marks associated with celebrities want to be like the celebrities and purchase goods featuring the marks.

In addition, Gado contextualized its sales numbers to demonstrate the growth of the brands by showing multiple years of sales results and their relevant breakdown. In 1992, Gado had more than 23 million Euros world-wide in annual sales. Vannucchi Dep. 35-40; Dep. Exh. A, p. DG00608. Gado had more than 36 million Euros in annual sales in 1994. Of these figures,

⁶ Jay-Y implies that the entire population is the proper class for an evaluation of fame. See Jay-Y Brief, p. 20, 20 n.1. However, it is well settled that the consuming public, i.e., Gado’s consumers and potential consumers, is the class within which the fame of the DOLCE & GABBANA, D&G DOLCE & GABBANA, and D&G marks is evaluated. Palm Bay Imps., Inc. v. Veuve Clicquot Ponsardin Masion Fondée En 1772, 396 F.3d 1369, 73 USPQ2d 1689, 1695 (Fed. Cir. 2005). (“The proper legal standard for evaluating the fame of a mark under the fifth *DuPont* factor is the class of consumers and potential customers of a product or service, and not the general public.”) Ms. Forte testified that the target customer for the DOLCE & GABBANA line is “wealthy, upper middle income class for apparel and accessories. . . . It is a fashion elite customer who we share with Chanel, Prada, Gucci” and other competitors. Forte Dep. 89:15-21. It is perhaps one percent of the fashion customer. Id., 92:14-15. The target audience for eyewear in the DOLCE & GABBANA line is probably ten percent of fashion customers. Id., 92:15-16.

approximately 7-11% of sales came from the United States. Id. 50:23-51:5. Specifically, by 1999, the annual sales of DOLCE & GABBANA branded clothing and accessories already exceeded 9 million Euros and the D&G DOLCE & GABBANA line already had sales exceeding 7 million Euros.⁷

Furthermore, the Board clearly recognized, from the evidence of record as a whole and guidance from Bose, that the fame of the Gado marks must be assessed in the context of the costly high-fashion goods they brand. Based on price points of \$1,400 for a pair of jeans, for example, and up to \$1,000 for eyewear, Forte Dep. 90:22-25-91:2-8; 105:20-25-106:2-5, Gado's resulting sales figures understood in context of the particular industry and combined with Gado's compelling evidence of the marks' preeminent reputation, establish the fame of Gado's marks. Cf. Bose Corp., 63 USPQ2d at 1309 (explaining that sales figures and advertising expenditures may be inconsequential for very expensive automobiles sold under ROLLS-ROYCE but in context of that mark's general reputation, the mark is famous in the public's eye).

Looking at the totality of the evidence, including sales figures, the growth of sales, advertising expenditures, use of the mark in advertisements themselves and media coverage, the Board properly held that the marks DOLCE AND GABBANA, D&G DOLCE & GABBANA and D&G were famous prior to respondent's 1999 date of first use. The range of combined evidence in the record presents sufficient context for a finding that Gado's marks are distinctive and famous.

⁷ Jay-Y suggests that Gado has not established actual sales, but to believe that one has to discount the testimony of Mr. Vanucchi and believe that wholesale sales did not translate to retail sales, despite the continued growth of the wholesale business.

Jay-Y also implies market share evidence is specifically required to establish fame, when Bose creates no such obligation. See Bose Corp., 63 USPQ2d at 1309 (accepting "sheer numbers" reflecting annual sales as evidence of indirect consumer awareness of mark); see also Coach Servs., Inc. v. Triumph Learning LLC, 668 F.3d 1356, 101 USPQ2d 1713, 1720 (Fed. Cir. 2012) (finding raw annual sales data, among other evidence, established mark's fame); Research in Motion Ltd. v. Defining Presence Mktg. Group, Inc., 102 USPQ2d 1187, 1192-93 (TTAB 2012) (same).

Finally, the Board did not lump the marks together, as Jay-Y argued, but rather properly considered the launch of the DOLCE AND GABBANA premiere line, followed by the launch of the D&G DOLCE & GABBANA second line years later and held that each of the marks was famous as of 1999. Opinion, p. 29.

III. THE BOARD PROPERLY HELD JAY-Y'S DG MARKS ARE CONFUSINGLY SIMILAR TO GADO'S MARKS

In the context of the acknowledged common use of initials in place of their names, the Board properly found that DG is similar to DOLCE & GABBANA, D&G DOLCE & GABBANA, and D&G. The acronym case cited by Jay-Y is inapposite in that it concerned an attempt to prove the acquired distinctiveness of CENTER OF SCIENCE AND INDUSTRY in light of a mere descriptiveness refusal. In re Franklin County Historical Soc'y, 104 USPQ2d 1085 (TTAB 2012). There, the Board held that the applicant was best known by the acronym COSI, which always appeared with the mark at issue so that there was insufficient evidence as to whether CENTER OF SCIENCE AND INDUSTRY had acquired distinctiveness. Id. Moreover, the acronym in that case was a pronounceable term, rather than a two letter mark that would most likely be viewed as designer initials. See Gulf States Paper Corp. v. Crown Zellerbach Corp., 57 CCPA 720, 722, 417 F.2d 795, 797-798 (CCPA 1969) (finding that "CZ" could only represent initials in consumer's minds, so the mark was ultimately viewed as distinguishable from EZ). In addition, the context of that mark was the operation of a museum and educational services, not fashion design. As the Board noted, Jay-Y's own witness, Ms. Chen testified that "companies like Calvin Klein, Giorgio Armani, and Armani Exchange had had success in putting two letters together to create their respective logos," and Gabriella Forte stated that "when [designers] want to graphically make a quick impact, they use their initials of whatever the brand name is." Opinion, p. 32. (citations omitted.) In fact, Ms. Chen admitted that Jay-Y attempted to capitalize

on the common industry use of initials by selling eyewear to its customers incorporating the initials “DG” to emulate the practice used in the marketplace by such designers. Petitioner’s Notice of Reliance, Exh. 77, Response No. 23.

Because evidence considered by the Board established that consumers are accustomed to associating designers with their initials, the commercial impression created by the initials DG in the context of sunglasses would be similar to DOLCE & GABBANA, and DG would be viewed as a shortened version of Gado’s mark. For the same reason, the Board correctly found that DG and D&G DOLCE & GABBANA convey the same commercial impression, a finding that Jay-Y does not contest. Jay-Y also concedes, as it must, that the Board properly concluded that the similarity between DG and D&G supports a likelihood of confusion between the marks.⁸

The remaining factors, including the range of goods offered under Gado’s marks, the low price of Jay-Y’s sunglasses, and the fact that eyewear is a typical part of a fashion designers’ product lines that may be an entry point for customers, Forte Dep. 55:7-55:21, 59:17-60:20, 90:16-20, is sufficient evidence to support a finding of likelihood of confusion. Indeed, it is hard to imagine that the initials DG on low priced sunglasses would not cause consumers to associate them with the high fashion brand – and indeed purchase them precisely to obtain that association. Consumers have a reason to associate sunglasses with fashion designers, not Data General or Deutsche Grammophon, as suggested by Jay-Y.

The Board’s finding was therefore well founded that use of DG on sunglasses was likely to cause confusion with DOLCE & GABBANA, D&G DOLCE & GABBANA, and D&G branding on identical and similar goods.

⁸ As to the Board’s Section 2(d) findings for D&G DOLCE & GABBANA and D&G, Jay-Y argues only that it established use of DG in 1993, a claim, as set forth above, the Board properly rejected.

CONCLUSION

For all the reasons discussed herein and in Respondent's Motion for Reconsideration should be denied.

Dated: November 14, 2013

Respectfully submitted,



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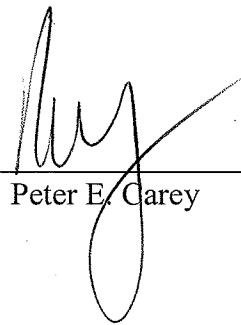
Attorneys for Petitioner

CERTIFICATE OF SERVICE

The undersigned hereby certifies that, on the 14th day of November, a true copy of the Memorandum of Law in Opposition to Motion for Reconsideration, dated November 14, 2013, was served upon:

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the address designated by said attorneys for that purpose, in a posted paid wrapper, by first class mail.



Peter E. Carey